

SENATOR V. JOHNSON: Mr. Speaker and members of the body, LB 496 is a fairly simple bill and addresses an issue I think that is of considerable concern to employed people in the State of Nebraska. I do understand, I have heard from others that it is now being lobbied against by some parochial interests and I think that that lobbying against this bill is incredibly shortsighted, so I will deal with the bill straightforwardly. You see this bill makes it a criminal offense for an employer to take money from an employee by virtue of a paycheck deduction and then not to remit that paycheck deduction to the person for whom that paycheck deduction was supposed to be remitted. Thus, if an employer and the employee have a group health and accident insurance plan, and if the employee has money coming out of his or her paycheck as part of or all of the premium payment for that group health and accident insurance plan, and if the employer has fallen on hard times economically and simply decides to misappropriate the employee's payroll deduction by paying other creditors, and fails to pay for the group health and accident insurance plan so that that employee no longer has group health and accident insurance coverage, that conduct, if done intentionally or willfully will become a Class 4 felony. In other words, the employer can go to jail for taking the employee's money from his paycheck and not appropriately allocating it to the place for which it was destined. So too, if an employer enters into a collective bargaining agreement with an organization or union representing the employees, whereby the employer is to provide some kind of agreed to fringe benefit such as health and accident insurance coverage, and if the employer fails intentionally and with intent to defraud, fails to provide the money that was agreed to be provided for the health and accident insurance coverage or other agreed benefit, then that is a criminal offense. Now there can't be anything that is probably more devastating...well, there are some things I suspect that are more devastating, but one of the things that is incredibly devastating to an individual is for an individual to work for somebody and to receive less than the full paycheck knowing that a portion of the paycheck is going to provide the worker and his or her family with insurance coverage only to discover as the employer is going down the tube financially that the employer has taken his money and used it for other purposes,